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## Current Support Brief

MARX VERSUS PARKINSON:  
BUREAUCRATIC DIFFICULTIES IN THE USSR



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A persistent campaign by Soviet leaders against "bureaucratism" forced down the proportion of administrative-managerial personnel in the labor force from 14.6 percent in 1952 to 8.9 percent in 1960. Since 1960 the leadership has lost ground in its fight and has had to step up the volume and intensity of its campaign, although in 1962 the proportion of administrative personnel in the labor force had risen to only 9.2 percent. These data denote a generally successful campaign, but they obscure actual developments that make this success questionable. In its efforts to defy Parkinson's Law, the USSR is experiencing evasive reporting tactics by some enterprise managers on the one hand and inefficient use of its professional personnel on the other. The evasion by enterprise managers consists of carrying administrative personnel on their payrolls as production workers. More importantly, professional personnel are being burdened with administrative work that could be accomplished more economically by clerical personnel -- a development that runs counter to current efforts by the USSR to use its professional manpower more effectively.

1. Administrative-Managerial Personnel

The size and structure of the administrative and managerial staffs are controlled by the Ministry of Finance, which must approve for all enterprises the number of each type of administrative or managerial position as well as the salary scale for each such position. By contrast, control by the financial authorities over the remainder of the labor force of an enterprise is limited generally to approving the over-all wage fund. 1/

To check on the trends in the size of the administrative staffs, the Central Statistical Administration periodically conducts a survey of the number of "administrative-managerial" (administrativno-upravlenschekiy)

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personnel employed in the Soviet economy. The results of this periodic survey, shown in Table 1, indicate that the number of such personnel declined after 1952 to a low point of 5.6 million in 1959. This decline occurred almost entirely in the public administration sector and was accomplished in large part during 1954-56 by the numerous transfers of personnel from government offices to machine tractor stations. 4/

After remaining practically unchanged during the latter part of the 1950's, the number of administrative-managerial personnel increased between 1960 and 1962 both in government agencies and in industrial and other enterprises. Recent Soviet articles on this subject, however, have ignored developments in the government sector and have aimed their criticism at enterprise managers who defy existing regulations. The Deputy Minister of Finance, F. Manoylo, writing in Izvestiya for 1 August 1963, referred to serious shortcomings in the organizational structure of the management of production and to the discovery by the financial agencies of illegal expenditures on administration amounting to 80 million rubles in 1962 alone. Similar criticisms were expressed by other members of the Ministry of Finance in articles in the issues of Sotsialisticheskiy trud (Socialist Labor) and Finansy SSSR (Finances of the USSR) for July 1963.

These articles also charged that managers circumvent the limitations imposed by the finance authorities by carrying administrative employees on the payrolls as production workers. In one instance cited, the jobs of four telephone operators were abolished, but the operators were retained at their posts and reclassified as electrical repair workers.

## 2. Professional Personnel and Clerical Work

When directed to reduce their administrative staff, enterprise managers often have abolished clerical positions and transferred the clerical duties to the managerial and professional staff. Such actions, which do not conform fully to the intention of existing regulations, are not mentioned in the articles cited above but have been attacked by Soviet economists engaged in research on manpower utilization. According to the results of a study on the use of engineers conducted in 1961

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Table 1

USSR: Administrative-Managerial Personnel a/  
Selected Years, 1952-62

Year	Thousand Persons			(4) Total as a Percent of the State Labor Force
	(1) Total	(2) Public Administration	(3) Other <u>b/</u>	
1952	6,232	1,786	4,446	14.6
1954	6,104	1,726 <u>c/</u>	4,378	13.8
1955	5,697	1,361	4,336	12.2
1958	5,579	1,294	4,285	10.0
1959	5,554	1,273	4,281	9.6
1960	5,753	1,245	4,508	8.9
1961	N.A.	1,295	N.A.	N.A.
1962	6,500 <u>d/</u>	1,330	5,170	9.2 <u>e/</u>

a. Unless otherwise indicated, data are from source 2/. Positions included are directors of enterprises, institutions, and organizations and their deputies; directors of subdivisions of enterprises, institutions, and organizations who are not employed directly in production; chief specialists (except those employed on technological, design, and project work); engineers, technicians, and other specialists employed in the administrative apparatus (except engineers and technicians employed on technological, design, and project work); planning-control, accounting-bookkeeping, and statistical personnel; clerical personnel; legal personnel; dispatchers (except line dispatchers in transport and communications enterprises); trade specialists, agents, inspectors, and warehousemen (except in trade and dining establishments); rate setters (except in transportation and excluding grain price setters); invoice clerks; superintendents; junior service personnel, workers serving the administrative apparatus, and other workers employed in the administrative apparatus; all personnel of government and economic administration, credit, and insurance (except for personnel such as controllers of local examining boards of the Committee on Standards, Measures, and Measuring Instruments); art and editorial personnel of the State Committee for Radio and Television; nonstaff agents of the state insurance system who conclude property and individual insurance contracts with individuals; and cashiers in branches of the state banking system. The data in columns 1 and 4 for 1952 are as of April; for 1954 and 1955, as of January; and for 1958, 1959, 1960, and 1962, as of September. Figures for public administration are annual averages.

b. Derived by subtracting column 2 from column 1.

c. Figure is for 1953.

d. Estimated by applying the percentage in column 4 to the estimate of state labor force for September 1962.

e. 3/

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by the Academy of Sciences, USSR, the abolition of clerical positions heads the list of reasons for the extensive amount of routine clerical work performed by department heads and their deputies in Soviet factories. The study revealed that heads of departments, chiefs of work shifts, and foremen devote an average of only 30 minutes daily to operations that require engineering knowledge. Each of them spends more than 1 hour daily on routine paperwork alone. 5/

The tendency of Soviet managers to limit the number of clerical personnel is reflected in the official statistics on employment in clerical occupations, as shown in Table 2. The number of persons employed in clerical and other office occupations such as planning and accounting was not much greater in 1959 than in 1939. During this period, however, employment more than doubled among heads of shops and other subdivisions of Soviet enterprises and almost tripled among foremen. Large gains in employment also were registered among engineers and technicians.

The relatively small number of typists and stenographers in the USSR in 1959 -- 130,324 -- is illustrative of the extremely limited clerical assistance that is available to Soviet management. Managers of Party and government offices, factories, and farms, who constitute the first three occupations shown in Table 2, outnumber the typists and stenographers by six to one. Thus a typist or stenographer is available for only one out of every six managers in the USSR. Moreover, there is less than one clerical person of any kind (typist, stenographer, secretary, or other) for each Soviet manager. Typing service, whoever performs it, is related, of course, to the number of typewriters in the USSR, which is estimated currently at about 400,000. By comparison the number of typewriters in the US was estimated at "some 6 million" early in 1956, 7/ and annual production in the US in recent years has exceeded 1 million.

Although the financial authorities are busily engaged in trying to limit the growth of administrative-managerial personnel, another agency of the government is expressing the inevitability of an expansion in the relative proportion of such personnel. A report published by the

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Table 2

USSR: Employment in Selected Occupations a/  
1939 and 1959

	Persons		1959 as a Percent of 1939
	1939	1959	
Selected administrative-managerial occupations			
Heads of government agencies, Party, and trade union organizations	445,244	392,131	88
Directors of enterprises	231,348	292,181	126
Chairmen of collective farms and their deputies	278,784	102,768	37
Economists, planners, and statisticians	282,096	208,289	109
Bookkeepers and accountants	1,785,397	1,816,878	102
Clerical personnel	489,357	535,897	110
Typists and stenographers	N.A.	130,324	N.A.
Secretaries and other clerical personnel	N.A.	405,573	N.A.
Selected engineering and technical occupations			
Heads of departments, flights, workshops, and sections	165,191	363,821	220
Foremen	267,762	753,521	281
Engineers	247,265	834,335	337
Technicians	274,044	513,173	187

a. 6/

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Scientific-Research Institute for Labor, which is under the direction of the State Committee for Labor and Wages, USSR, stated 8/:

The relationship between expenditures for labor for the control of production and expenditures for activity that is directly productive may serve as an index of technical progress and the stage of automation and mechanization: the higher this stage is, the higher will be the proportion of engineering and technical workers and of the managerial apparatus in the total number of those employed.

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Analyst:

Coord:

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